COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF HERITAGE PROPANE) CASE NO. 2012-00439
D/B/A BRIGHT'S PROPANE SERVICE)

ORDER

On February 15, 1991, in Case No. 1990-00091, the Commission approved rates for Bright's Propane Service, Inc. ("Bright's Propane") and provided for their further adjustment on a quarterly basis in accordance with Bright's Propane's Gas Cost Adjustment ("GCA") clause. On March 5, 2008, Heritage Propane acquired the assets of the former Bright's Propane and adopted Bright's Propane's tariffs.

On September 28, 2012, Bright's Propane filed its proposed GCA to be effective November 1, 2012.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Bright's Propane's notice includes revised rates designed to pass on to its customers its expected change in wholesale propane costs.

¹ Case No. 1990-00091, Jurisdictional Status of Bright's Propane Service, Inc.'s Propane Distribution System (Ky. PSC Feb. 15, 1991).

- 2. Bright's Propane's notice sets out an Average Gas Cost ("AGC") component of \$.03622 per cubic foot, which represents a decrease of \$.00652 per cubic foot from the previous AGC of \$.04274 per cubic foot.
- 3. Bright's Propane's notice sets out a current quarter Actual Adjustment ("AA") of (\$.00033) per cubic foot. Bright's Propane's total AA is of \$.00092 per cubic foot, which is a decrease of \$.00034 per cubic foot from the previous total AA of \$.00126 per cubic foot.
- 4. Bright's Propane's notice sets out \$.015 per cubic foot to recover overhead operating costs as approved in its tariff.
- 5. Bright's Propane's GCA is \$.05214 per cubic foot, which is a decrease of \$.00686 per cubic foot from the previous rate of \$.05900 per cubic foot.
- 6. The rates in the Appendix to this Order are fair, just, and reasonable and should be approved for final meter readings on and after November 1, 2012.

IT IS THEREFORE ORDERED that:

- 1. The rates in the Appendix, attached hereto and incorporated herein, are approved for final meter readings on and after November 1, 2012.
- 2. Within 20 days from the date of this Order, Bright's Propane shall file its revised tariff sheets with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

Commissioner Breathitt is abstaining from this proceeding.

OCT 2 6 2012

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00439 DATED OCT 2 6 2012

The following rates and charges are prescribed for the customers in the area served by Heritage Propane D/B/A Bright's Propane Service, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES: Monthly

All Propane \$.05214 per cubic foot

Minimum Bill \$ 20.84

(First 400 Cubic feet or less)

Kathy Caton Heritage Operating, LP dba Bright's Propane P. O. Box 321 Burgin, KY 40310